



TERMS AND CONDITIONS OF APPOINTMENT OF INDEPENDENT DIRECTORS OF THE COMPANY

The following are the terms and conditions of appointment of Independent Directors of the Company viz. Mr Cheruvettolil Kochukoshy Koshy, Mr Mahalinga Narayanan and Mr Rohitbhai Chinubhai Mehta.

1. APPOINTMENT

- (a) The appointment of above Independent Directors is for a term of five years with effect from 29 September 2014 or till such earlier date to conform with the policy on retirement, and as may be determined by any applicable statutes, rules, regulations or guidelines.
- (b) The Independent Directors will not be liable to retire by rotation.
- (c) The Independent Directors may be required to serve on one or more Board Committees as may be decided by the Board from time to time. Presently, there are 3 (three) Board Committees viz. Audit Committee, Nominations and Remuneration Committee, and Stakeholders Relationship Committee. The role of these Board Committees would be such as may be determined by the Board from time to time.

2. ROLE, DUTIES AND RESPONSIBILITIES

- (a) The duties and liabilities that come with the appointment as Independent Director would be as per the applicable laws, the Articles of Association of the Company and the Code of Conduct.
- (b) As a member of the Board, the Independent Directors along with the other Directors will collectively be responsible for meeting the objectives of the Board which include:
 - requirements under the Companies Act, 2013 (the Act) and the Rules thereunder;
 - responsibilities of the Board as outlined in Clause 49 of the Listing Agreement;
 - accountability under the Directors' Responsibility Statement;
 - overseeing the maintenance of high standards of the Company's values and ethical conduct of business.



- overseeing the Company's contribution towards Corporate Social Responsibility, if any.
- protecting and enhancing the WelcomHotel brand.

(c) The Independent Directors will be expected to perform their fiduciary duties and exercise the skill and care expected of every Director. They shall also abide by the 'Code for Independent Directors' as outlined in Schedule IV to the Act.

3. **TIME COMMITMENT**

Considering the nature of the role of a Director, it is difficult for a Company to lay down specific parameters on time commitment. The Independent Directors agree to devote such time as is prudent and necessary for the proper performance of their role, duties and responsibilities.

4. **REMUNERATION**

(a) The Independent Directors will be entitled to sitting fees for attending meetings of the Board and Committees thereof. Presently, the sitting fees, as determined by the Board is ` 5,000/- for attending each meeting of the Board of Directors or Committees thereof. The Company will bear the expenses for their attending the meetings of the Board and Board Committees, in terms of the Articles of Association of the Committee.

(b) Further, the Company may pay or reimburse the Independent Directors such reasonable expenditure, as may be incurred by them, while performing their role as an Independent Director of the Company. This could include obtaining, subject to prior consultation with the Board, professional advice from independent advisors in the furtherance of their duties as an Independent Director.

5. **THE CODE OF CONDUCT**

(a) As an Independent Director of the Company, they agree to comply with the provisions of the Code of Conduct, as adopted by the Board. They will also be required to affirm, annually, compliance with the Code of Conduct.



- (b) Unless specifically authorised by the Company, the Independent Directors will not disclose information in respect of the Company's affairs to the media, the financial community, the employees, the members, or to any other person.

The obligation of confidentiality of Independent Directors shall survive the cessation of their directorship in the Company.

- (c) The attention of Independent Directors has also been drawn to the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and the Code on Prevention of Insider Trading, prohibiting disclosure or use of unpublished price sensitive information.

- (d) The Independent Directors shall not engage in any activity which might impede the application of their independent judgement in the best interest of the Company.

6. **INDUCTION AND DEVELOPMENT**

The Company will, from time to time, brief the Independent Directors on all business related matters, risk assessment & minimisation procedures, and proposed new initiatives. They will also be updated on changes / developments in the domestic / global corporate and industry scenario, including those pertaining to statutes / legislations and the economic environment.

7. **PERFORMANCE EVALUATION PROCESS**

Performance of the Independent Directors as well as the performance of the entire Board and its Committees will be evaluated annually as may be required under the provisions of law. The criteria for evaluation will be determined by the Nominations and Remuneration Committee of the Board.

8. **CONFLICT OF INTEREST**

- (a) It is accepted and acknowledged that the Independent Directors may have business interests other than those of the Company. They are required to declare any such directorship, appointments and interests to the Board in writing in the prescribed form.



(b) During their term, the Independent Directors agree to promptly provide a declaration under Section 149(7) of the Act, upon any change in the circumstances which may affect their status as an Independent Director. Further, they also agree to confirm compliance with the said criteria of independence every financial year.

9. **GENERAL**

The list of actions in particular that should be not taken by the Independent Directors while in office include the following:-

- (i) Action that involves any violation of applicable law;
- (ii) Action that involves any breach of the Code of Conduct;
- (iii) Any action that either involves their personal interest, except as disclosed in terms of the applicable laws, or compromises or conflicts with the interest of the Company.